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Farmers Home Administration

Washington D.C. 20250

FmHA AN No.1917

May 1, 1989

Servicing Delinquent Farmer Programs Debt Set-Aside SUBJECT:

Accounts

State Directors, District Directors and

County Supervisors

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to explain how to handle a Farmer Programs (FP) borrower's debt set-aside account when the set-aside portion is shown delinquent on the 540 report. The intended outcome is to avoid sending out the 1951-S notices when a borrower's debt set-aside account is reported delinquent in order to maintain the account on the Finance Office accounting system.

COMPARISON WITH PREVIOUS ANS:

No previous ANs have been issued on this subject.

IMPLEMENTATION RESPONSIBILITIES:

When the non-set-aside portion of a loan is paid in full and the set-aside portion is not yet due and payable, the Finance Office will show a \$10.00 non setaside delinquency on the 540 report. As a reminder the borrower still has an outstanding balance due on the loan. Commencing immediately, borrowers' set-aside accounts that fit into this category will be considered current and the 1951-S notices will not be sent.

NEAL SOX JOHNSON

Acting Administrator

EXPIRATION DATE: April 30, 1990

FILING INSTRUCTIONS: Preceding FmHA Instruction 1951-S